

DECISION

**THE COMPTROLLER GENERAL
OF THE UNITED STATES**
WASHINGTON, D.C. 20548

31575

FILE: B-217219 **DATE:** June 26, 1985
MATTER OF: Brickwood Contractors, Inc.

DIGEST:

Rejection of bid based on bidder's mistaken interpretation of specifications was reasonable where bid was substantially below government estimates and where acceptance of it would have been unfair in view of unreasonableness of bid price.

Brickwood Contractors, Inc. (Brickwood), protests the rejection of its bid as nonresponsive under Andrews Air Force Base invitation for bids No. F49642-84-B0167 for protective coating maintenance. The invitation involved a cost comparison in accordance with Office of Management and Budget Circular A-76 to determine whether the work should be contracted out or performed in-house.

We conclude that Brickwood's bid was properly rejected.

Brickwood submitted a bid price of \$2,152,657.75--\$1,277,611.83 lower than the second low bid of \$3,430,269.58. The government estimate was \$4,058,559. At a preaward conference, Brickwood (apparently after reviewing the other bids submitted) informed contracting personnel that it had interpreted the specifications to require only one coat of paint for certain gypsum board line items for which Brickwood bid \$409,104. Brickwood bid \$0.08 per square foot on these items; the second low bidder's prices ranged from \$0.17 to \$0.24 per square foot. The contracting agency, interpreting the specifications to require two/three coats of paint for the line items, rejected the Brickwood bid as nonresponsive. The contracting officer has also concluded that an award to Brickwood would be unfair. Brickwood advises that it would be unable to accept a contract award at its bid price.

The specification provision requiring multiple coats of paint reads as follows:

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"Interior concrete masonry units concrete except concrete floors and textured ceilings, gypsum board, and asbestos cement board, unless otherwise specified."

The agency contends that the provision requires multiple coats of paint for all surfaces listed in the quoted provision except concrete floors and textured ceilings.

Brickwood contends that the exception also applies to gypsum board and asbestos cement board surfaces. Brickwood contends that its interpretation is the only reasonable interpretation and that, consequently, the rejection of its bid was improper. In the alternate, Brickwood concludes that, at best, the provision is ambiguous and the procurement should be readvertised.

We find that the only reasonable interpretation of the specification provision is that given by the contracting agency.

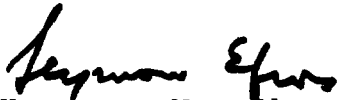
Surfaces are divided in provision TP 1-10 ("SURFACE PREPARATION") of the specification as follows: asbestos-cement; concrete, stucco, and masonry; ferrous; galvanized and nonferrous; gypsum board; mastic-type; plaster; and wood. From this, it seems clear that the specifications refer to various categories of surfaces, with "concrete, stucco, and masonry" as one category and gypsum board as another. The paint provision quoted above, by starting with the words "interior concrete masonry" and then listing exceptions before referring to other surface categories, can only be read as providing exceptions for the concrete category. Since gypsum board surfaces are not concrete, it follows that asbestos-cement and gypsum board could not be considered exceptions to the type of concrete requiring multiple coats of paint.

While Brickwood questions whether, under the provisions at issue, the excepted textured ceilings could be considered concrete, the use of the word "and" between "concrete floors" and "textured ceilings" indicates that the agency considered these two to fall within the concrete category. Thus, any argument that textured ceilings may not be considered concrete has no bearing upon our conclusion regarding gypsum board. As for Brickwood's argument that the words "first coat material" in the gypsum board portion of the surface preparation provision show that only one coat of paint was required, it is clear that these

words indicate that more than one coat of paint will be involved.

We have held that an agency could properly reject a bid based on a misinterpretation of a specification where the bid was substantially below the government estimate and where acceptance of it would have been unfair in view of unreasonableness of bid price. Atterton Painting, Inc., B-208088, Jan. 18, 1983, 83-1 CPD ¶ 60. See also Hanauer Machinery Works, B-196369, Mar. 6, 1980, 80-1 CPD ¶ 178 and Sta-Dri Co. Inc., B-190355, Mar. 8, 1978, 78-1 CPD ¶ 184. That clearly is the situation here.

Accordingly, the protest is denied.

for 
Harry R. Van Cleve
General Counsel